

**CITY OF TEMPE AND TEMPE ELEMENTARY SCHOOL DISTRICT NO. 3
INTERGOVERNMENTAL AGREEMENT
FOR GREASE TRAP AND INTERCEPTOR SERVICE FREQUENCY STUDY**

**EXHIBIT A:
TERMS OF ENROLLMENT**

ATTACHMENT A

TEMPE GREASE COOPERATIVE TERMS OF ENROLLMENT

The Tempe Grease Cooperative (TGC) is a voluntary, cooperative arrangement between the City and its restaurants to better manage fats, oils, and grease by joining together to procure grease trap and interceptor service at a lower cost of compliance. The TGC is structured to achieve five core goals:

1. Provide high quality service to best eliminate unsightly odors and plumbing backups that can disrupt restaurant operations and their patrons' dining experience;
2. Effectively manage Fats, Oils and Grease to create more sustainable sewer and plumbing infrastructure for the City and its restaurants;
3. Ensure that through cooperative procurement, members receive discounted rates on services provided, promoting compliance with the City's Rules and Procedures for Interceptors and Traps;
4. Ensure that members are receiving the quality of service for which they pay, both at the property and after vendors leave the property boundary; and
5. Collectively secure Fats, Oils, and Grease from member restaurants, and explore and implement opportunities to utilize the waste for the generation of renewable energy.

While the City and member restaurants make up the Cooperative, the City is the administrative arm of the partnership and utilizes existing staff to procure services, establish and administer contracts, coordinate service schedules, audit service quality, and advocate on behalf of members when problems arise. City administration allows members to focus on core business practice, knowing that the maintenance and cleaning of their plumbing infrastructure is in good hands.

The following terms of enrollment are the agreement between the City and the members of the TGC, and are established to achieve the *core goals* of the Cooperative:

1. Enrollment
Food service establishments in the City of Tempe may enroll in the Tempe Grease Cooperative (TGC) at any time and may withdraw at any time. Enrollment and withdrawal are free of charge. Members may enroll or withdraw by any of the following methods:

Web: www.tempe.gov/grease

Phone: (480) 350-2678

Email: grease@tempe.gov

In writing: Tempe Grease Cooperative
Environmental Services Section
City of Tempe
P.O. Box 5002
Tempe, AZ 85280

Withdrawal notification must be received by the City at least five (5) business days prior to scheduled service in order to be effective prior to that service. Members that withdraw less than five (5) days prior to scheduled service will receive final service as scheduled and be billed for that service.

2. Separation of Existing Service

Upon enrollment, members are responsible for cancelling existing maintenance and cleaning service prior to the effective date of service through the Cooperative. Neither the City nor the Cooperative is responsible for any existing contractual obligations to other maintenance and cleaning service providers; those obligations are the sole responsibility of the individual member.

3. Scheduling

Members may provide the City with preferred windows of service upon enrollment (e.g., weekdays before 10 a.m., or between 2 p.m. and 4 p.m.). The City will coordinate service schedules with selected vendors and notify members of established collection windows. Members may request one-time or permanent changes to preferred service windows through the City. Members must request changes in service windows at least five (5) business days prior to scheduled service to be effective prior to that service. The City will use its best efforts to accommodate these rescheduling requests but cannot guarantee that all requests will be accommodated.

4. Initial Facility Profiles

At the time of first service after enrollment, the Contractor will collect general information about each grease trap or interceptor at the member facility. Based on information collected during initial facility profiles, the Contractor will provide a recommended cleaning frequency for each facility and any rationale for deviating from a prescribed schedule of once every 90 days for interceptors and once every 30 days for grease traps. Changes to initial service frequencies will only be implemented upon City assessment and approval in consultation with the member facility.

5. City Infrastructure Assessments

Members of the Cooperative are entitled to one City infrastructure assessment annually at no cost. After three months of membership, and upon request, City staff will visit member facilities and assess and diagnose infrastructure problems using visual inspections, service line video inspections, odor measuring equipment, and other means based on information provided by the member. The City will then provide the member with a written recommendation for the resolution of any infrastructure or operational issues. Subsequent assessments within one year of the first assessment will be provided at a flat rate of \$50 per assessment.

6. Pricing

Pricing schedules for contracted routine, emergency, and optional services will be available prior to enrollment. Upon enrollment, members will be provided with a written pricing schedule specific to the food service establishment and based on the capacity of serviced infrastructure. Price schedules may be adjusted by the City periodically. All members will be given at least 30 days advance notice of any adjustment and the opportunity to withdraw from the Cooperative prior to any adjustments in pricing. Costs reflect pricing provided to the City under contract.

7. Year One Rebates

After a member's first continuous year of enrollment in the Cooperative, the City shall provide rebates to member restaurants that can demonstrate that in the year prior to enrolling, they achieved a total lower cost of compliance than was or would have been achieved by joining the Cooperative for trap or gold-level interceptor service. To be eligible for the rebate, members must provide all of the following:

- a. Invoices/receipts demonstrating that cleaning and maintenance services by appropriately licensed and permitted contractors were provided at least as frequently as is required under the City's ordinances and Rules and Procedures;
- b. Documentation describing the type of service provided and procedures used for each service; and
- c. Receipts / invoices for unscheduled service to respond to plumbing back-ups or odors resulting from grease blockages.

The City will calculate rebates by subtracting the total cost of compliance, including costs for emergency backups and blockages, in the year prior to enrolling in the Cooperative, from the total annual first-year cost of service through the Cooperative.²

8. Downtown Test Area: Member Dividends

Since early 2012, the City has been collecting baseline data in the *downtown test area*, bounded by Rio Salado Parkway to the north, Roosevelt Drive to the west, 10th Street to the south, and College Avenue to the east. Data collected includes the concentration of pollutants (Total Suspended Solids (TSS) and Chemical Oxygen Demand (COD)) in the sewage stream from this area, and televised inspections of sewer infrastructure to assess the buildup of FOG within the City's sewers. At the end of the first year of TGC operation, the City may provide year-end dividends to members of the Cooperative located in the downtown test area.

² Rebates will be based only on trap and Gold level interceptor service. Platinum level members will be eligible to receive rebates based on what their cost of service would have been during the year using Gold level interceptor service.

Dividends will be calculated based on calculated reductions in wastewater treatment costs resulting from program participation. The average concentrations of TSS and COD from July 1, 2012 to June 30, 2013 (Avg. COD = 735 mg/L; Avg. TSS = 389 mg/L) are the basis for calculating Tempe's share of operating and maintenance costs at the regional 91st Avenue Wastewater Treatment Plant for the downtown test area. During the first year of program implementation, the City will continue to collect sewage data for the downtown test area, and will calculate cost reductions resulting from implementation of the program as follows:

COD Savings: $((\text{Avg. COD (kg/L)}^{(\text{TGC year 1})} - 0.000735) \times 8.34 \text{ (conversion to lbs)}) \times \text{Total Flow (gal)}^{(\text{TGC year 1})} \times \$0.2662 \text{ (cost per pound)}$

TSS Savings: $((\text{Avg. TSS (kg/L)}^{(\text{TGC year 1})} - 0.000389) \times 8.34 \text{ (conversion to lbs)}) \times \text{Total Flow (gal)}^{(\text{TGC year 1})} \times \$0.3186 \text{ (cost per pound)}$

If a total cost reduction for the City for the downtown test area is calculated, dividends will be paid proportional to total contract year cost for current TGC members in the downtown test area. Entities that were TGC members but which are not members at the time of the dividend disbursement are not eligible for the dividend.

9. Finder's Credit

Existing member restaurants that refer non-members to enroll in the Cooperative, as specified on the enrollment form by the new member, will receive a \$50 finder's credit for future service under the Cooperative after the new member has been enrolled and received service through the Cooperative for 12 consecutive months. The finder must also be enrolled in the Cooperative for the duration of those 12 months to receive the finders' fee. Each member food service establishment is entitled to no more than two finders' fees, or \$100 in any one year. However, credits for free City infrastructure assessments in addition to the annual assessment will be given to members that refer more than two non-member restaurants to enroll.

10. Cleaning and Maintenance Procedures

Cleaning and Maintenance will be coordinated by the City and conducted by the City's contractors, consistent with the procedures described in the Rules and Procedures for Interceptors and Traps, to which these Terms and Conditions are an attachment.

11. Job Site Requirements and Clean-Up

The City's contractors will be required to adequately protect the work site, adjacent property and the public in all phases of the work and/or services provided herein. The City shall require its TGC contractors to keep the work site clean consistent with the Rules and Procedures to which these terms are attached; however, Contractors, and NOT the City, shall be solely responsible for all damages or injuries due to action, inaction or neglect related to the services provided under these Terms and Conditions.

12. Comments

The City will provide a comment form on the TGC website for member food service establishments to provide comments regarding contracted services. Members may provide comments in writing, by phone, by email, or on the on-line comment form at the addresses listed in number 1, above. The City shall use its best efforts to address all comments within two business days of receipt and to ensure prompt resolution by the City's contractors.

13. TGC Forum and Open House

At least annually, the City will hold a forum and open house to report back to member restaurants on the results of data collected, the effectiveness of the program and to solicit member feedback on issues related to service quality, rates or proposed rate adjustments, and other activities of the Cooperative. Members will be encouraged to provide City staff with feedback that will allow the City to best serve the needs of TGC members. The forum and open house will be open to all member food service establishments and non-member establishments as well.

14. Payment

TGC members shall pay the City for the services received within 30 days of receipt of an invoice. No service will be provided to a member at any time a member is delinquent in its payments to the City. The City may terminate a member's membership in the TGC if the member has failed to pay timely three times in any one year period.

15. Modification

The City reserves the right to modify, alter, or terminate the TGC and these Terms and Conditions at any time.

16. Ownership of Waste

Upon collection, all waste product collected from members of the TGC by the City's contractors becomes the sole property of the City, and the City may use or dispose of the waste in its sole discretion.

17. Pilot Program

The Tempe Grease Cooperative is a pilot program that will be evaluated after one year of implementation and periodically thereafter to determine the effectiveness of the program for the City and for the TGC members.